



# PUBLIC NOTICE

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## WIRELINE COMPETITION BUREAU AUTHORIZES ALASKA PLAN SUPPORT FOR 13 ALASKAN RATE-OF-RETURN COMPANIES

### WC Docket Nos. 10-90 and 16-271

On August 23, 2016, the Federal Communications Commission (Commission) adopted the *Alaska Plan Order*.<sup>1</sup> In the *Alaska Plan Order*, the Commission provided a one-time opportunity for Alaskan rate-of-return carriers to elect to receive support frozen at adjusted 2011 levels for a 10-year term in exchange for meeting individualized performance obligations — offering voice and broadband services meeting specific service obligations at specified minimum speeds by five-year and 10-year service milestones to a specified number of locations.

Today, in accordance with the *Alaska Plan Order*, the Wireline Competition Bureau (Bureau) approves the individualized performance obligations and authorizes support amounts as described in the appendices.<sup>2</sup> The individualized performance obligations we approve today were submitted by the Alaska Telephone Association on behalf of its member companies on May 9, 2016, supplemented on May 12, 2016, and further revised/clarified after the Order's adoption.<sup>3</sup> Consistent with the Commission's direction, the Bureau finds it is in the public interest to approve these performance obligations.

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<sup>1</sup> *Connect America Fund, et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 31 FCC Rcd 10139 (2016) (*Alaska Plan Order*).

<sup>2</sup> The approved yearly support amounts are provided in Appendix A to this Public Notice. See also 47 CFR § 54.306(c). The approved individualized performance obligations are provided in Appendix B to this Public Notice. See also 47 CFR § 54.306(b).

<sup>3</sup> Letter from Christine O'Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, at Attach (filed May 9, 2016) (ATA May 9 Letter); Letter from Christine O'Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, at Attach. (filed May 12, 2016) (ATA May 12, 2016 Letter); Letter from Stephen Merriam, Federal Advocate, Arctic Slope Telephone Association Cooperative, Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket Nos. 10-90, 16-271 (filed Nov. 17, 2016) (ASTAC Nov. 17, 2016 Letter); Letter from Christine O'Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271 (filed Nov. 22, 2016); Letter from Julie A. Veach, Counsel to General Communications, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (filed Nov. 29, 2016); Letter from Dave Goggins, President/GM TelAlaska, Inc. to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271 (filed Dec. 1, 2016) (TelAlaska Dec. 1, 2016 Letter); Letter from Christine O'Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (filed Dec.

(continued...)

Certain carriers, due to limited access to middle-mile facilities, committed to maintaining service at existing levels without deploying new service or upgrading existing locations. The Commission required carriers that commit to only maintaining existing Internet access service at existing speeds to explain why they are unable to commit to upgrade their existing service or deploy service to new locations.<sup>4</sup> Based on our review of the information submitted, consistent with the Commission's direction, we approve those plans today. We remind those carriers that they are required to certify in their annual reports that they are providing service in accordance with their approved plan.<sup>5</sup> As directed by the Commission, we will review these carriers' plans on a biennial basis and adjust the plans based on any changed circumstances.<sup>6</sup> Further, we remind all carriers on the Alaska Plan that they are required to report as new backhaul becomes available, which certain carriers anticipate will happen during the 10-year support term.<sup>7</sup>

Both Summit Telephone Company of Alaska, Inc. d/b/a Summit Telephone Company and Alaska Power & Telephone, on behalf of its rate-of-return carrier subsidiaries, Bettles Telephone Company (SAC 613002), Alaska Telephone Company (SAC 613017), and North Country Telephone Company (SAC 613026), have indicated their interest in receiving Alternative Connect America Model (A-CAM) support.<sup>8</sup> These companies previously had submitted proposed Alaska Plan performance plans. For administrative convenience, the Bureau briefly defers action on the performance plans for these companies, pending resolution of whether these carriers are ultimately authorized for A-CAM support. In the meantime, they will continue to receive support under the reformed legacy support mechanisms.

We also authorize Adak Eagle Enterprises, LLC (Adak) (SAC 610989) for Alaska Plan support. While Adak has indicated its interest in receiving A-CAM support, in the *Alaska Plan Order*, the Commission noted that those Alaska rate-of-return carriers that are unable to offer even 4/1 Mbps service would not be permitted to elect A-CAM support.<sup>9</sup> Adak is unable to meet a 4/1 Mbps service obligation;<sup>10</sup> as such, it is not eligible to elect A-CAM support.<sup>11</sup>

For each of the carriers whose plans we approve today, by December 29, 2016 an officer of the company must submit a letter in WC Docket No. 16-271 certifying that the carrier will comply with the public interest obligations adopted in the *Alaska Plan Order* and the deployment obligations set forth in the adopted performance plan.<sup>12</sup>

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6, 2016); Letter from Daniel B. Lindgren, Assistant KPU Telecommunications Division Manager, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271 (filed Dec. 8, 2016).

<sup>4</sup> *Alaska Plan Order*, 31 FCC Rcd at 10146, para. 18.

<sup>5</sup> 47 CFR § 54.313(f)(1)(i).

<sup>6</sup> *Alaska Plan Order*, 31 FCC Rcd at 10158, para. 62

<sup>7</sup> 47 CFR § 54.313(f)(3). See ASTAC Nov. 17, 2016 Letter and TelAlaska Dec. 1, 2016 Letter. See also Quintillion, System, <http://qexpressnet.com/system/> (last visited Dec. 21, 2016).

<sup>8</sup> See *Wireline Competition Bureau Announces Results of Rate-Of-Return Carriers That Accepted Offer of Model Support*, WC Docket No. 10-90, Public Notice, DA 16-1246 (WCB Nov. 2, 2016).

<sup>9</sup> *Alaska Plan Order*, 31 FCC Rcd at 10142, n.18.

<sup>10</sup> See ATA May 9, 2016 Letter; ATA May 12, 2016 Letter (indicating access to only satellite middle-mile facilities at speeds less than 4/1 Mbps).

<sup>11</sup> See *Connect America Fund*, WC Docket No. 10-90, Report and Order and Further Notice of Proposed Rulemaking, FCC 16-178, para. 16 (Dec. 20, 2016).

<sup>12</sup> *Alaska Plan Order*, 31 FCC Rcd at 10154, para. 45.

Finally, we remind the carriers approved to receive Alaska Plan support of the requirements related to tariffs.<sup>13</sup> They must refile their special access tariffs removing the costs of Consumer Broadband-only Loops (CBOL) from the Special Access category, consistent with the *2016 Rate-of-Return Order*.<sup>14</sup> They are permitted—but not required—to assess a wholesale consumer broadband-only loop charge that does not exceed \$42 per line per month. Alternatively, they may detariff such a charge. Moreover, carriers receiving support pursuant to the Alaska Plan are not required to offer a separate CBOL service, on either a tariffed or detariffed basis.

Alaska Plan recipients must also exit the National Exchange Carrier Association (NECA) Common Line pool, while they have the option of continuing to use NECA to tariff their Common Line and CBOL charges. The affected Alaska carriers shall coordinate with NECA on making any required tariff filings in order to ease the administrative burden associated with implementation of any changes. Once the Universal Service Administrative Company confirms that the carriers have notified NECA of their intention to exit the Common Line pool, support under the Alaska Plan may be disbursed.<sup>15</sup>

For additional information on this proceeding, contact Alexander Minard, [alexander.minard@fcc.gov](mailto:alexander.minard@fcc.gov), or Jesse Jachman, [jesse.jachman@fcc.gov](mailto:jesse.jachman@fcc.gov) of the Wireline Competition Bureau, Telecommunications Access Policy Division, (202) 418-7400.

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<sup>13</sup> See *id.* at 10154-55, para. 46

<sup>14</sup> See *Access Charge Tariff Filings Introducing Broadband-only Loop Service*, Order, Docket No. 16-317, 31 FCC Rcd 11017 (WCB Oct. 6, 2016) (*Broadband-only Loop Service TRP Order*); see also *Access Charge Tariff Filings Introducing Broadband-only Loop Service*, Order on Reconsideration, Docket No. 16-317, 31 FCC Rcd 12007 (WCB Nov. 4, 2016). The waiver the Bureau granted in *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, DA 16-1383 (WCB Dec. 14, 2016), limiting the amount of CBOL costs that must be shifted from the Special Access category to the Consumer Broadband-only Loop category also applies to carriers receiving support pursuant to the Alaska plan. We also clarify that carriers receiving support pursuant to the Alaska plan must impute an Access Recovery Charge on Consumer Broadband-only Loops, consistent with the Bureau clarification in *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, DA 16-1384 (WCB Dec. 14, 2016).

<sup>15</sup> *Alaska Plan Order*, 31 FCC Rcd at 10154, para. 46 (citations omitted).

**APPENDIX A**  
**Approved Support Amounts for Rate-of-Return Carrier Alaska Plan Recipients**  
**January 1, 2017 to December 31, 2026<sup>1</sup>**

**Aggregated to Holding Company Level**

<b>State</b>	<b>Holding Company</b>	<b>Rate-of-Return Carrier</b>	<b>Study Area Code</b>	<b>Yearly Support Amount (\$)</b>
AK	Adak Eagle Enterprises, LLC	ADKG	610989	333,000
AK	American Broadband Communications et al.	AMRC	613011 613016	5,391,870
AK	Arctic Slope Telephone Association Cooperative, Inc.	ARCT	613001	3,135,240
AK	Bristol Bay Telephone Cooperative	BRST	613003	1,136,604
AK	Bush-Tell, Inc.	BSHT	613004	783,048
AK	Circle Telephone & Electric	CRCL	613005	38,532
AK	Copper Valley Telephone Cooperative	CPPR	613006	11,307,498
AK	Cordova Telephone Cooperative, Inc.	CRDV	613007	2,316,234
AK	City of Ketchikan	CTYF3	613013	4,217,490
AK	Matanuska Telephone Association, Inc.	MTNS	613015	18,720,342
AK	Nushagak Electric & Telephone Cooperative, Inc.	NSHG	613018	1,545,198
AK	OTZ Telephone Cooperative, Inc.	OTZT	613019	1,925,544
AK	General Communication, Inc.	GNRL	613023 613025	3,525,624

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<sup>1</sup> See 47 CFR § 54.306(c).

**APPENDIX B**

**Approved Plans for Carriers Committing to Newly Deployed/Upgraded Service**

<b>Carrier</b>	<b>Study Area Code</b>	<b>Rate-of-Return Carrier Code</b>	<b>Backhaul</b>	<b>Speed</b>	<b>Minimum Data Usage</b>	<b>Newly Deployed/Upgraded Locations by December 31, 2021</b>	<b>Newly Deployed/Upgraded Locations by December 31, 2026</b>
Bristol Bay Tel Coop	613003	BRST	Microwave	4/1 Mbps	40 GB	0	10
Copper Valley Tel	613006	CPPR	Hybrid Microwave / Fiber	25/3 Mbps	150 GB	97	97
			Fiber	25/3 Mbps	150 GB	786	786
			Fiber	50/5 Mbps	150 GB	668	668
			Fiber	100/5 Mbps	150 GB	590	1101
			Fiber	1GB/100 Mbps	150 GB	708	1769
Cordova Tel Coop	613007	CRDV	Fiber	25/3 Mbps	150 GB	17	17
			Fiber	50/5 Mbps	150 GB	255	255
			Fiber	100/5 Mbps	150 GB	425	850

Interior Tel Co Inc. <sup>1</sup>	613011	AMRC	Fiber	10/1 Mbps	150 GB	1,616	1,616
			Fiber	25/3 Mbps	150 GB	652	1,332
Ketchikan Public Ut.	613013	CTYF3	Fiber	25/3 Mbps	150 GB	71	71
			Fiber	50/5 Mbps	150 GB	72	216
			Fiber	100/5 Mbps	150 GB	502	933
Matanuska Tel Assoc	613015	MTNS	Fiber	25/3 Mbps	150 GB	15,027	19,540
			Fiber	50/5 Mbps	150 GB	8,518	15,500
			Fiber	100/5 Mbps	150 GB	1,500	4,000
Nushagak Elec & Tel	613018	NSHG	Microwave	6/1 Mbps	40 GB	146	195

<sup>1</sup> In addition to the newly deployed/upgraded locations, Interior Tel Co Inc. committed to maintain existing service throughout the 10-year term to 2,518 locations with access to only satellite backhaul with speeds of 1Mbps/256kbps. *See* Letter from Christine O'Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271 (filed Nov. 22, 2016).

Otz Tel Cooperative <sup>2</sup>	613019	OTZT	Fiber	25/3 Mbps	150 GB	694	1,249
United Utilities Inc. And Yukon Tel Co Inc.	613023 613025	GNRL	Satellite	1Mbps/256 kbps	7 GB	1,063	1,063
			Microwave	10/1 Mbps	40 GB	4,311	8,621
			Fiber	25/3 Mbps	150 GB	324	324

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<sup>2</sup> OTZ Tel Cooperative will also provide 4/1 Mbps service via satellite backhaul throughout the 10-year term. The number of locations receiving service via satellite backhaul will decrease proportionally to number of newly deployed fiber locations. *See* Letter from Christine O'Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, at Attach (filed May 9, 2016) (May 9, 2016 Ex Parte).

**Approved Plans for Carriers Maintaining Service at Current Levels<sup>3</sup>**

<b>Carrier</b>	<b>Rate-of-Return Carrier Code</b>	<b>Study Area Code</b>	<b>Backhaul</b>	<b>Speed</b>	<b>Data Usage</b>	<b>Locations Passed</b>
Adak Tel Utility	ADKG	610989	Satellite	1Mbps/256kbps	4 GB	346
Arctic Slope Tel	ARCT	613001	Satellite	1Mbps/256kbps	Unlimited	2,509
			Hybrid Microwave-Fiber	4/1 Mbps	Unlimited	206
Bush-Tell Inc.	BSHT	613004	Microwave	6/1 Mbps	25 GB	1,109
Circle Utilities	CRCL	613005	N/A	N/A <sup>4</sup>	N/A	40
Mukluk Tel Co Inc.	AMRC	613016	Satellite	1Mbps/256kbps	12 GB	2,628

<sup>3</sup> These carriers have committed to maintaining existing service, and therefore are subject to a biennial review per the Commission's *Alaska Plan Order*. See *Alaska Plan Order*, 31 FCC Rcd at 10158, para. 62.

<sup>4</sup> Circle Utilities states it does not have the facilities in place to provide any Internet access services; it does not have access to terrestrial backhaul and the cost of satellite backhaul is too much for the served community. See May 9 Ex Parte at Attach.